



## News Release for April 7, 2009

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# Southeast Energy Alliance Releases Estimate – OCS Revenue Share Could Mean \$5 Billion for Virginia

FREDERICKSBURG, VA – April 7, 2008. The Southeast Energy Alliance (SEA) announced that extension of the OCS revenue share legislation to Virginia could bring approximately \$5 billion dollars to the State and called on the federal government to enact legislation that would pump over \$165 million annually into the Old Dominion.

“In 2006, Congress created an OCS Revenue Sharing program that grants 37.5% of the royalties generated from OCS production in the Gulf of Mexico to Texas, Louisiana, Mississippi and Alabama. That Revenue Sharing program will provide billions of badly needed dollars to the Gulf States in the future,” said SEA Executive Director Michael Whatley. “Now that we are moving forward with leasing in Virginia’s adjacent waters, Revenue Sharing needs to be extended to Virginia as well.

"Extension of the 37.5% royalty revenue share to Virginia – when coupled with OCS Lease Sale currently scheduled for 2011 in Virginia’s adjacent waters – could bring \$5 billion dollars in non-tax revenues to the state over the next 30 years,” Whatley continued. "This is funding that can be used for roads, schools, tax relief and environmental protection programs.”

SEA’s estimate of Virginia’s OCS is based on data collected by the Minerals Management Service and assumes crude oil prices of \$50 per barrel and natural gas prices of \$4.00 per mcf.

“The Southeast Energy Alliance urges the Department of Interior to continue with its plans for a 2011 Lease Sale in Virginia and calls on the Administration and Congress to enact legislation that will enable states to receive an appropriate share of any royalty revenues collected by the federal government for production in their adjacent waters.”

SEA's mission is to develop and implement sound energy policies that will ensure sustainable, reliable, and affordable energy for the families, farms and businesses of the Southeast.

For more information, visit [www.southeastenergyalliance.org](http://www.southeastenergyalliance.org).